COMPANY DESCRIPTION

Sunshine Biopharma Inc. ("Sunshine Biopharma" or "the Company") is a revenue-generating pharmaceutical company offering life-saving medicines within a variety of therapeutic areas, including oncology and antivirals. The Company's proprietary therapeutic drug development program includes two drug candidates: (1) K1.1, a messenger RNA (mRNA) therapeutic for liver cancer, and (2) SBFM-PL4, a PLpro inhibitor for the treatment of SARS Coronavirus infections. Sunshine Biopharma's proprietary pharmaceutical pipeline addresses large markets with significant unmet needs in oncology and anti-viral indications, creating a diversified portfolio with a combined market potential of over $30 billion for the initial targeted indications. In addition to its proprietary drug development efforts, the Company also operates two wholly owned subsidiaries: Nora Pharma Inc., a Canadian corporation with a portfolio of 61 generic prescription drugs; and Sunshine Biopharma Canada Inc., a Canadian corporation, which develops and sells over the counter (OTC) supplements, including Essential 9™, the first supplement comprising the 9 essential amino acids in capsule form. According to the Company, the growth of its revenue-generating generic pharmaceutical business, through the operations of Nora Pharma, places Sunshine Biopharma on track to achieve profitability by FY 2025, with the generated cash flow expected to support and facilitate the development of its proprietary pharmaceutical pipeline. Sunshine Biopharma's revenue generating generic pharmaceutical business, in conjunction with its focused proprietary drug development efforts, provides a low-risk model where the lengthy pharmaceutical development and approval process is supported by revenue generating activities.

KEY POINTS

- On August 19, 2024, Sunshine Biopharma announced second quarter 2024 financial results for the quarter ended June 30, 2024 and provided a corporate update.
- The Company reported gross revenues of $9,303,067 for the three months ended June 30, 2024, reflecting a 67% increase compared to $5,560,865 for the same period in 2023. For the six-month period ending June 30, 2024, gross revenues were $16,844,113, a 61% increase from $10,454,918 in the year ago period. These gains were driven by new product launches and enhanced marketing and sales efforts by the Company's wholly owned Canadian subsidiary, Nora Pharma Inc.
- Sunshine Biopharma currently has 61 generic prescription drugs on the market in Canada and 32 additional drugs scheduled to be launched in the remainder of 2024 and in 2025.
- One of the new drugs set to launch in October 2024 is NIOPEG®, a biosimilar of NEULASTA®. Similar to NEULASTA®, NIOPEG® is a long-acting form of recombinant human granulocyte colony-stimulating factor (filgrastim) and is designed to reduce the risk of infection in patients with non-myeloid malignancies undergoing anti-neoplastic therapy. On April 19, 2024, the Company announced that Nora Pharma had received approval from Health Canada for the commercialization of NIOPEG® in Canada.
- On August 6, 2024, the Company announced a one for twenty reverse split of its common stock, effective at market open on August 8, 2024. The reverse stock split was undertaken to regain compliance with Nasdaq's minimum bid price requirement for continued listing.
- The Company's cash position as of June 30, 2024 is $11.5 million.

Sunshine Biopharma Inc.
333 Las Olas Way
CU4 Suite 433
Fort Lauderdale, FL 33301
Tel: 954-515-0810
https://sunshinebiopharma.com

SBFM-NASDAQ

Ticker (Exchange)	SBFM-NASDAQ
Recent Price (08/21/2024)	$3.09
52-week Range	$2.42-980.00
Shares Outstanding	1.2 million
Market Capitalization	$3.7 million
Average volume	135,814
Insider Ownership	Less than 1%
Institutional Ownership	—
EPS (Qtr. ended 06/30/24)	($9.94)
Employees	46

See page 8 for applicable disclosures.

SECOND QUARTER 2024 FINANCIAL RESULTS

On August 19, 2024, Sunshine Biopharma, Inc. announced second quarter 2024 financial results for the quarter ended June 30, 2024 and provided a corporate update.

The Company reported gross revenues of $9,303,067 for the three months ended June 30, 2024, a 67% increase over gross revenues of $5,560,865 for same period in 2023. For the six-month period ended June 30, 2024, gross revenues were $16,844,113, compared to gross revenue of $10,454,918 for the same period in 2023, an increase of 61%. These increases are attributable to new product launches and expanded marketing and sales efforts by the Company's wholly owned Canadian subsidiary, Nora Pharma Inc.

Net loss for the three months ended June 30, 2024, was $(494,300) compared to a net loss of $(902,108) during the same period of 2023, a decrease of 45%.

On February 15, 2024, the Company completed an underwritten public offering for gross proceeds of approximately $10 million. The net proceeds received by the Company were $8,522,411. The Company's current cash position as of June 30, 2024 is $11.5 million.

YEAR TO DATE FINANIAL RESULTS

Year to date, sales grew to $16,844,113, compared to $10,454,918 during the same period last year, an increase of 61%. Net loss for the six months ended June 30, 2024, was $(1,778,101) compared to a net loss of $(2,604,538) during the same period of 2023, a decrease of 32%. Shareholders' Equity grew to $23,489,865, an 11% increase over Shareholders' Equity at December 31, 2023.

POTENTIAL NEAR TEM MILESTONES

The Company has established the following objectives over the next 12-18 months:

- Achieve profitability by FY 2025.
- Launch of an additional two dozen-plus generic drugs in 2024 and 2025 through the operations of Nora Pharma.
- Aggressively advance the development of K1.1 mRNA for liver cancer and SBFM-PL4 for SARS Coronavirus infections.

RECENT DEVELOPMENTS

August 19, 2024—Sunshine Biopharma filed its 2024 second quarter report with the Securities and Exchange Commission. The Company reported gross revenues of $9,303,067 for the three months ended June 30, 2024, a 67% increase over gross revenues of $5,560,865 for same period in 2023. For the six-month period ended June 30, 2024, gross revenues were $16,844,113, compared to gross revenue of $10,454,918 for the same period in 2023, an increase of 61%. These increases are attributable to new product launches and expanded marketing and sales efforts by the Company's wholly owned Canadian subsidiary, Nora Pharma Inc.

August 6, 2024—Announced a one for twenty reverse split of its common stock, effective at market open on August 8, 2024. The reverse stock split was undertaken to regain compliance with Nasdaq's minimum bid price requirement for continued listing.

May 21, 2024—Announced first quarter 2024 financial results for the quarter ended March 31, 2024 and provided a corporate update. The Company reported gross revenues of $7,541,046 for the quarter ended March 31, 2024, a 54% increase over gross revenues of $4,894,053 for same period in 2023. The increase is due to new product launches and expanded marketing and sales efforts by the Company's wholly owned Canadian subsidiary, Nora Pharma Inc.

April 19, 2024—Announce that its wholly owned generic pharmaceutical subsidiary, Nora Pharma, has received approval from Health Canada for the commercialization of NIOPEG® (a pegylated form of filgrastim) in Canada. The current market size of pegfilgrastim in Canada is approximately $88 million USD. NIOPEG® is a biosimilar comparable to the reference biologic drug NEULASTA® (pegfilgrastim). NIOPEG® is a long-acting form of recombinant human granulocyte colony-stimulating factor (r-HuG-CSF), or filgrastim. It is indicated to decrease the incidence of infection, as manifested by febrile neutropenia, in patients with non-myeloid malignancies receiving myelosuppressive anti-neoplastic drugs. NIOPEG® is available in a pre-filled syringe of 6 mg/0.6 mL.

April 12, 2024—Announced a one for one hundred reverse split of its common stock, effective at market open on April 17, 2024. The reverse stock split was undertaken to regain compliance with Nasdaq's minimum bid price requirement for continued listing.

April 1, 2024—Announced that the Company had filed its 2023 financial results on Form 10-K on Thursday March 28, 2024. Sales in 2023 grew to a total of $24,092,787, primarily as a result of a full year of revenues generated by the acquisition of Nora Pharma in October 2022. Nora Pharma's revenues for its fiscal year ended June 30, 2022, were $10,766,982. The average 2023 quarter-over-quarter growth rate in sales was 14%. Loss per share decreased from a negative $1.76 per share in 2022 to a negative $0.19 per share in 2023, predominantly due to a one-time write-off of goodwill in 2022. The Company completed a private placement of approximately $5 million in gross proceeds for use in part for expansion of sales operations. Additionally, Sunshine Biopharma repurchased 513,723 shares of the Company's common stock on the market for a total of $541,143.

February 15, 2024—Announced the closing of a firm commitment underwritten public offering with gross proceeds to the Company of approximately $10 million, before deducting underwriting discounts and other estimated expenses payable by the Company. The offering consisted of 71,428,571 Units, consisting of (a) 26,428,571 Common Units, with each Common Unit consisting of one share of our common stock, $0.001 par value per share, one-tenth (1/10) of a Series A warrant to purchase one share of common stock ("Series A Warrant") and two tenths (2/10) of a Series B warrant to purchase one share of common stock ("Series B Warrant"), and (b) 45,000,000 Pre-Funded Units, with each Pre-Funded Unit consisting of one pre-funded warrant to purchase one share of common stock, one-tenth of a Series A Warrant and two-tenths of a Series B Warrant. The Pre-Funded Warrants are immediately exercisable and may be exercised at any time until exercised in full. The initial exercise price of each Series A Warrant is $2.10 per share of common stock or pursuant to an alternative cashless exercise option. The Series A Warrants are exercisable immediately and expire 30 months after the initial issuance date. The initial exercise price of each Series B Warrant is $2.38 per share of common stock. The Series B Warrants are exercisable immediately and expire 60 months after the initial issuance date.

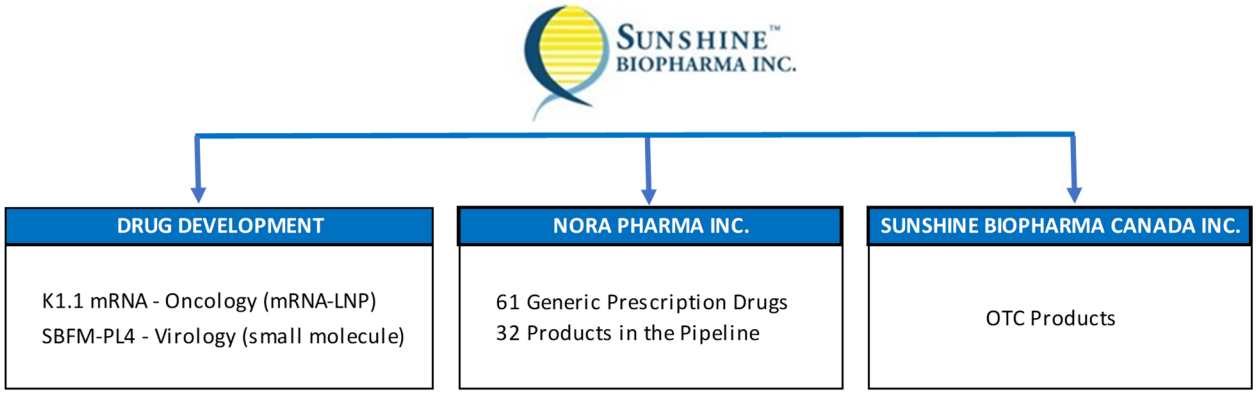
November 13, 2023—Announced that the Company had filed its quarterly report for the 2023 third quarter. The Company reported gross revenues of $5,957,668 for the quarter ended September 30, 2023, an increase of $5,824,860 over the same period in 2022. The increase was due to the prescription drugs sales of Nora Pharma. The Company's third quarter revenues of $5,957,668 represented a 7.1% increase over the second quarter results of $5,560,865 and a 21.7% increase over the first quarter results of $4,894,053. The Company incurred a net loss from operations of $651,482 ($0.04 per share) for the three months ended September 30, 2023, compared to a net loss of $1,457,019 ($0.12 per share) during the comparable period in 2022.

Company Background

Sunshine Biopharma Inc. ("Sunshine Biopharma" or "the Company") is a revenue-generating pharmaceutical company offering and researching life-saving medicines within a variety of therapeutic areas, including oncology and antivirals. In addition to its own drug development efforts, the Company operates two wholly owned subsidiaries: Nora Pharma Inc., a Canadian corporation with a portfolio of 61 generic prescription drugs; and Sunshine Biopharma Canada Inc., a Canadian corporation, which develops and sells OTC supplements, including Essential 9™, the first supplement comprising the 9 essential amino acids in capsule form. Figure 1 summarizes the Company's business segments as well as an overview of its product offerings.

Figure 1

PRODUCTS AND SEGMENTS



Source: Sunshine Bipharma Inc.

Sunshine Biopharma's business and growth strategy is based on a two-pronged approach: (1) expansion of its revenue-generating generic pharmaceutical business through the operation of its subsidiary, Nora Pharma; and (2) advancement of its proprietary drug development programs. According to the Company, the growth of its generic pharmaceutical business places Sunshine Biopharma on track to achieve profitability by FY 2025, with the long-term goal of using revenues generated through the operations of Nora Pharma to support and facilitate the development of its proprietary pharmaceutical pipeline.

Sunshine Biopharma believes that the combination of its revenue generating generic pharmaceutical business in conjunction with its focused proprietary drug development efforts provides a low-risk model, where the lengthy pharmaceutical development and approval process is supported by its generic activities.

Nora Pharma—Generic Pharmaceutical Business

On October 20, 2022, with a view towards becoming a profitable and fully integrated pharmaceutical company, Sunshine Biopharma acquired Nora Pharma Inc., a Canadian generic pharmaceuticals company. Sunshine Biopharma currently has 61 generic prescription drugs on the market in Canada and 32 additional drugs scheduled to be launched in the remainder of 2024 and in 2025.

The strategic acquisition expands the Company's revenue stream and is expected to propel revenue growth going forward. The expected growth is driven by an expansion of both its product portfolio and its distribution network, an increase in the effectiveness of its marketing efforts, combined with plans to expand its geographic presence throughout North America and potentially other markets around the world.

The global generic drug market was estimated at $343.6 billion in 2022 and is expected to reach $460.5 billion by 2028 (a CAGR of 6.8%), with North America representing the largest segment (Source: Imarc's *Generic Drugs Market: Global Industry Trends, Share, Size, Growth, Opportunity and Forecast 2023-2028*). Within the North American market, the U.S. represents the larger share, estimated at $86.9 billion in 2022, compared to Canada's $8.9 billion. However, the Canadian market is expected to reach $14.8 billion by 2028, representing an 8.5% CAGR, a growth rate higher than those for both the global and the U.S. market during the same period (Source: Imarc's *Canada Generic Drug Market: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2023-2028*).

Health Canada Approval Received For Niopeg®, A Biosimilar Of Neulasta®

On April 19, 2024, Nora Pharma received approval from Health Canada for the commercialization of NIOPEG® (a pegylated form of filgrastim) in Canada, its first Biosimilar product. NIOPEG® is used to help prevent infection in people with non-myeloid cancers (such as breast cancer) who are receiving chemotherapy. The current market size of pegfilgrastim in Canada is approximately $88 million USD. NIOPEG® is a biosimilar comparable to the reference biologic drug NEULASTA® (pegfilgrastim).

NIOPEG® is a long-acting form of recombinant human granulocyte colony-stimulating factor (r-HuG-CSF), or filgrastim, indicated to decrease the incidence of infection, as manifested by febrile neutropenia, in patients with non-myeloid malignancies receiving myelosuppressive anti-neoplastic drugs. NIOPEG® is available in a pre-filled syringe of 6 mg/0.6 mL.

Proprietary Pharmaceutical Development

Sunshine Biopharma is also engaged in developing proprietary pharmaceutical candidates within the areas of oncology and antivirals. The Company's pipeline includes two novel therapeutic product candidates:

(1) K1.1 mRNA—an mRNA anticancer agent; and

(2) SBFM-PL4—a small molecule antiviral against coronaviruses.

Sunshine Biopharma's product candidates address large markets with significant unmet needs in oncology and anti-viral indications, creating a diversified proprietary drug pipeline with a combined market potential of over $30 billion for the initial targeted indications. Furthermore, the Company is assessing the use of its oncology product technologies (both small molecule and mRNA) for additional indications.

K1.1 mRNA

Sunshine Biopharma's oncology product candidate is based on the Company's research project assessing the use of certain messenger RNA (mRNA) molecules as anticancer agents. The project led to the identification of a selected group of mRNA molecules—bearing the laboratory name K1—that have shown the ability to destroy MRD cancer cells in vitro.

The Company is developing its product candidate from this technology—K1.1—for the treatment of liver cancer, the sixth most prevalent type of cancer diagnosed worldwide and the third leading cause of cancer death. The global liver cancer therapeutic market was estimated at $1.8 billion in 2021, and is expected to reach $8.9 billion by 2030, driven by rising rates of liver cancer coupled with a robust investment in R&D activities by the pharmaceutical industry aimed at developing novel innovative therapeutic drugs (Source: Growth Plus Market Reports' *Liver Cancer Therapeutics Market*, 2022).

Sunshine Biopharma had previously shown that its K1.1 mRNA is capable of destroying cancer cells in vitro, including MDR breast cancer cells (MCF-7/MDR), ovarian adenocarcinoma cells (OVCAR-3), and pancreatic cancer cells (SUIT-2). Results of additional parallel studies using normal human cells (HMEC) also showed that K1.1 mRNA had little or no cytotoxic effects.

In November 2022, Sunshine entered into a collaboration agreement with a leading mRNA lipid nanoparticle (LNP) company for the purposes of formulating the Company's K1.1 mRNA molecules into lipid nanoparticles, which Sunshine Biopharma is using in its ongoing proof-of-concept mice study. The study involves the administration of K1.1 to mice that have received liver cancer cells by subcutaneous injections, resulting in tumor growth, in order to assess K1.1's in vivo effect on liver cancer. The last dose for the study is expected by October 10, 2023. Furthermore, the Company is planning to conduct toxicology studies in two species of rodents by 2Q 2024. Should these mouse studies prove successful, the Company plans to file an IND application to begin Phase 1 trials. The LNP formulated K1.1 mRNA can be readily adapted for delivery into patients using the recently gained knowledge from the mRNA vaccine technology used during the COVID-19 pandemic.

SBFM-PL4

Sunshine Biopharma is developing a late-preclinical injectable therapeutic candidate to treat coronavirus infections, with an initial focus on SARS-CoV2 (COVID-19) infections in patients who could not use the currently approved treatments (i.e., Paxlovid, Molnupiravir, or Remdesivir) due to concerns about drug interaction and other side effects. These efforts have been focused on the development of a first-in-class small molecule PLpro inhibitor. PLpro is a viral enzyme essential for viral replication and maturation, a key part of the coronavirus' life cycle during infection. In addition, PLpro is of particular interest as a coronavirus therapeutic target in that it is also responsible for suppression of the human immune system, a special feature of coronaviruses that limits the body's reaction against the pathogen, making the virus more effective (Source: *Fundamental Research, Vol. 1 (2): 151-165*, 2021). As such, the Company believes that PLpro represents an attractive anti-viral drug development target for the inhibition of the early stages of COVID-19 infection.

In August 2020, the Company synthesized its first group of PLpro small molecule inhibitors. Furthermore, in February 2021, Sunshine Biopharma strengthened its PLpro program by signing an exclusive license agreement with the University of Georgia for two PLpro inhibitors developed there.

The Company has also been conducting research on this project in collaboration with the University of Arizona for the purposes determining the in vivo safety, pharmacokinetics, and dose selection properties of three University of Arizona-owned PLpro inhibitors and has recently entered into an exclusive worldwide license agreement with the University of Arizona for all of the technology related to the collaboration.

Sunshine Biopharma plans to begin explorative toxicity studies and proof-of-concept efficacy studies in hamsters (expected 4Q 2023 to 2Q 2024), with additional ADME (absorption, distribution, metabolism, and excretion) in other species expected to begin 2Q 2024. Following these studies, the Company expects to nominate a lead candidate formulation for an IND enabling study by 3Q 2024.

The Company believes that its PLpro inhibitor technology could be effective for the treatment, not only of COVID-19, but also of other coronavirus infections with no effective treatment. This stems from the fact that in addition to SARS-CoV-2 (COVID-19), PLpro is found in different coronaviruses, including SARS-CoV (SARS) and MERS-CoV (MERS) (Source: *Encyclopedia of Cell Biology, Vol. 1: 930–941*, 2023).

Pfizer has an Mpro specific inhibitor on the market, called Paxlovid, which is used as a treatment for COVID-19 and is expected to generate $8 billion in sales during 2023. The successful development of the Company's SBFM-PL4 product candidate as the first PLpro inhibitor could become a significant competitor to Paxlovid, joining the very select and scarce options to treat severe COVID-19.

Sunshine Biopharma Canada

Sunshine Biopharma also sells OTC products in both Canada and the U.S. through the operations of its fully owned subsidiary, Sunshine Biopharma Canada Inc. The Company sells OTC products including Essential 9™ in Canada and the U.S. through Amazon.ca and Amazon.com, respectively. Sunshine Biopharma expanded its product range by the acquisition of Nora Pharma Inc., bringing an additional 11 nonprescription products into the OTC offerings.

CORPORATE INFORMATION (HEADQUARTERS, EMPLOYEES, AND HISTORY)

The Company was incorporated on August 31, 2006. On October 20, 2022, Sunshine Biopharma acquired Nora Pharma Inc. The Company recently relocated its headquarters to Fort Lauderdale, Florida and has 46 employees.

Risks and Disclosures

This Company Update has been prepared by Sunshine Biopharma, Inc. ("Sunshine Biopharma" or "the Company") with the assistance of Crystal Research Associates, LLC ("CRA") based upon information provided by the Company. CRA has not independently verified such information. Some of the information in this Update relates to future events or future business and financial performance. Such statements constitute forward-looking information within the meaning of the Private Securities Litigation Act of 1995. Such statements can only be predictions and the actual events or results may differ from those discussed due to the risks described in Sunshine Biopharma's statements on Forms 10-K, 10-Q, and 8-K as well as other forms filed from time to time.

The content of this report with respect to Sunshine Biopharma has been compiled primarily from information available to the public released by the Company through news releases, Annual Reports, and U.S. Securities and Exchange Commission (SEC) filings. Sunshine Biopharma is solely responsible for the accuracy of this information. Information as to other companies has been prepared from publicly available information and has not been independently verified by Sunshine Biopharma or CRA. Certain summaries of activities and outcomes have been condensed to aid the reader in gaining a general understanding. CRA assumes no responsibility to update the information contained in this report. In addition, CRA has been compensated by the Company in cash of fifty thousand dollars for its services in creating the base report and for quarterly updates.

Investors should carefully consider the risks and information about Sunshine Biopharma's business. Investors should not interpret the order in which considerations are presented in their SEC filings as an indication of their relative importance. In addition, the risks and uncertainties overviewed in Sunshine Biopharma's SEC filings are not the only risks that the Company faces. Additional risks and uncertainties not presently known to Sunshine Biopharma or that it currently believes to be immaterial may also adversely affect the Company's business. If any of such risks and uncertainties develops into an actual event, Sunshine Biopharma's business, financial condition, and results of operations could be materially and adversely affected, and the trading price of the Company's shares could decline.

This report is published solely for information purposes and is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any state. Past performance does not guarantee future performance.

About Our Firm: For almost two decades, Crystal Research Associates, LLC (www.crystalra.com) has successfully articulated the exceptional stories of small- and mid-cap companies to the Wall Street investor community. Our methods are well-established and diverse, from compiling and disseminating objective, factual information for both institutional and retail investor audiences to capitalizing on our expansive line of targeted distribution channels, which include industry-leading financial data and information providers. Our distribution efforts are accompanied using prominent social media channels and by strategic and targeted appearances on national news programs and print media.

Crystal Research Associates is led by Wall Street veterans, Jeffrey Kraws and Karen Goldfarb. Together, Kraws and Goldfarb have built a unique business model, capitalizing on decades of experience as an award-winning sell-side analyst team to produce institutional-quality industry and market research in a manner that is easily understood by investors and consumers. Our firm's approach has been proven successful over the years as our products are published and available on Bloomberg, Thomson Reuters/First Call, Capital IQ, FactSet, and scores of other popular forums.